

CAPITALISM RECONNECTED: TOWARD A SUSTAINABLE, INCLUSIVE AND INNOVATIVE MARKET ECONOMY IN EUROPE—by Jan Peter Balkenende, Govert Buijs



A Review by Stephen B. Young, Global Executive Director, The Caux Round Table for Moral Capitalism, Jan 17, 2024. The Book is published by: [Amsterdam University Press](https://www.amupress.nl/).

This is a must-read book, a tour de force of analysis and policy making. Why?

The book is an accurate assessment of our world currently, both for Europe and globally. Intellectually, it rests on very firm foundations of fact – historic and current.

Second, it delivers on giving the reader practical but far-sighted, idealistic but feasible, implementation proposals for businesses, governments, and NGOs. It is a road map laying out before us organizational structures and key performance indicators at the macro, meso, and micro levels of human endeavor. It assigns roles and responsibilities with clarity and conviction, making collaboration among multiple actors much more feasible.

Third, the book is values-based. It gets to the very heart of the human experience on this planet, generation after generation. The authors correctly recognize that outcomes (global warming, economic inequality) result from behaviors and behaviors are the residual of values. But its call for values is not unrealistic, ideological, or myopic. The book just provides comforting common-sense approaches to understanding and policy-making.

The book is a deft exercise in what Aristotle called *phronesis*—practical wisdom, a virtue. Aristotle said that the mark of a prudent person is the ability to “deliberate rightly about what is good and advantageous”. Such deliberation has as its end action in the arena of human goods.

The insights of *Capitalism Reconnected* should supersede ESG as the mantra for our times. ESG is but gossamer, a display of prettiness to attract but is only a superficiality that falls apart in a slight wind or light rain.

Balkenende and Buijs would “reconnect” capitalism with its natural and inevitable stakeholders: society, values and moral purpose, government, and nature. The pillars they propose to hold up such a dynamic equilibrium are: ideals, inspiration, modernizing economic theory, creating and using indicators for actions and outcomes, and enlisting multi-actors in the work to be done. In erecting these separate but mutually supportive pillars, the authors seek a dynamic mix of liberty, equality, and solidarity for every society.

The different actors needed for this production of the common good in their minds are: business, finance, consumers, political institutions, civil society, communities, media, research and education, imaginative reflection, and nature.

One important use of *Capitalism Reconnected* would be to provide criteria for leadership. What kind of person, with what qualities of mind and

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orientation of personality, can take firm hold of these recommendations and put them successfully to work?

One looks around the world and sees few, if any, Presidents, Prime Ministers, party leaders, or *Lingxiu* (People's Leader) who are up to this calling.

While the authors focus on recommendations for Europe in our new world order of post-moral internationalism centered on the United Nations and the Rule of Law to protect human dignity. Xi Jinping and Vladimir Putin have jointly announced the new global order to be one of giving deference to "civilization states" who have the moral autonomy to do as they want.

The conclusion of Balkenende and Buijs is that Europe is such a "civilization state" and so must define with clarity the nature of its unique "civilization" and from that moral and political vantage point contribute to the wealth of nations and peace among nations. They rightly for me posture Europe between the unruly narcissism of the United States and the grim autocracies of Russia and China as a potential influencer promoting moderation and the common good.

They present the case for Europe having a "Third Way" which would champion human dignity, regenerativity, inclusivity, and co-creativity.

Also, very remarkable and impressive to me is the skill of the authors in integrating realities into a "field theory" of cause and effect which enables us to find a kind of natural law driving human behaviors and therewith empowering all of us to adroitly move levers of causation to bring about more wholesome conditions. Balkenende and Buijs integrate "discourses" one with the others of economics, politics, culture, the environment, business, government, values, civil society dynamics.

They eschew silos and tunnels, seeking openness

in analysis and collaboration in creating new realities. They seek, for example, a balance between globalization where each is subordinate to all and a particularism which seeks to protect the autonomy of each with local or regional specialization.

Their goal is a collaborative geo-economic power dedicated to the protection of the dignity of all. They want to see evolve joint efforts to achieve long-term sustainability for an inclusive economy. They speak of keeping the "upsides" of market economics and avoiding its "downsides", of the human person "in community", and of wealth creation within the limits set by planetary possibilities, there being a limit on what nature has provided for our use and enjoyment.

ABOUT THE AUTHORS

Jan Peter Balkenende is Minister of State and was from 2002 to 2010 Prime Minister of the Kingdom of the Netherlands. He is now External Senior Advisor to EY and involved in Corporate Responsibility, Chair of the Dutch Sustainable Growth Coalition, and of the Noaber Foundation, Associate Partner at Hague Corporate Affairs, Member of the Club de Madrid, and Professor Emeritus at Erasmus University Rotterdam.

Govert Buijs is a political philosopher and currently holds the Goldschmeding research chair 'Societal and Economic Renewal' at the Faculty of Humanities of the Vrije Universiteit Amsterdam. He recently supervised an interdisciplinary Templeton Research project on Markets and Morality, a collaboration between the universities of Amsterdam-VU, Rotterdam, Nijmegen, and Tilburg.

ABOUT THE REVIEW'S AUTHOR

Stephen B. Young is the global executive director of the Caux Round Table for Moral Capitalism. Young has published *Moral Capitalism* and *The Road to Moral Capitalism*, two well-received books written as a guide to implement the Caux Round Table Principles for Business. In her 2008 book, *The Difference Makers*, Professor Sandra Waddock listed Young among the 23 persons who created the corporate social responsibility movement. Young was educated at Harvard College and Harvard Law School. He served as an assistant dean at the Harvard Law School and as the third dean of the Hamline University School of Law. He has taught at the University of Minnesota and at the SASIN Graduate School of Management in Bangkok and spoken at many workshops and conferences on corporate social responsibility and business ethics. He has written numerous opinion articles for the St. Paul Pioneer Press, Minnesota Journal on Law and Politics, St. Paul Legal Ledger and has been published in the Wall Street Journal, the New York Times and the Washington Post.